State of Michigan

Department of Licensing and Regulatory Affairs

## UNEMPLOYMENT INSURANCE AGENCY

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## **Emergency Unemployment Compensation (EUC) in Michigan**

The EUC program provides federally-funded extended unemployment benefits for individuals who exhaust their regular state unemployment benefits. The United States Department of Labor continually monitors Michigan's unemployment rate to determine if adjustments should be made to the maximum number of benefit weeks available to claimants based on the state's Total Unemployment Rate (TUR). Michigan's three month average total unemployment rate (TUR) must remain at 9 percent or above to be eligible to provide all four tiers of the EUC program. For Tier 3, the TUR must remain at 7 percent or above; for Tier 2 the TUR must remain at 6 percent or above. Tier 1 does not have a TUR threshold.

In accordance with federal law, because Michigan's TUR reached 9 percent, as of week ending December 14, 2013, Michigan became eligible for EUC Tier 4 benefits. Additionally, in accordance with the Budget Control Act of 2011 (Public Law 112-25), also known as "sequestration" budget cuts, all payments, beginning with the week ending date of October 5, 2013, will be reduced by 7.2 percent of the Weekly Benefit Amount (WBA).

## **EUC Eligibility Requirements**

EUC payments can be obtained by individuals who are unemployed through no fault of their own and meet regular state unemployment eligibility requirements.

There are four tiers of federally-funded EUC benefits payable in Michigan:

- Tier 1 Provides up to 10 <u>weeks</u> of EUC benefits to those who exhaust their regular state unemployment benefits. The amount equals 54% of a person's regular state unemployment benefits, up to 10 weeks.
- **Tier 2** Provides up to 10 <u>weeks</u> of EUC after a person exhausts EUC Tier I and equals 54% of a person's regular state unemployment benefits, up to 10 weeks.
- **Tier 3** Provides up to 7 <u>weeks</u> of EUC after a person exhausts EUC Tier II and equals 35% of a person's regular state unemployment benefits, up to 7 weeks.
- **Tier 4** Provides up to 3 weeks of EUC after a person exhausts EUC Tier III. Tier 4 equals 39% of regular UI benefits, up to 3 weeks.

To be eligible for EUC, individuals must be unemployed or underemployed and be able, available, and actively seeking suitable full-time work. New entrants into EUC Tier 1 are required to participate in Reemployment and Eligibility Assessment (REA) activities administered at their local Michigan Works! Agency (MWA) office. EUC claimants are required to provide written documentation of their work search efforts on a monthly basis to the UIA prior to certifying through MARVIN. You will be required to report the details and results of your work search to the UIA using Form UIA 1583, *Monthly Record of Work Search*.

## **Applying for EUC benefits**

Unemployment benefits are typically issued for two-week periods after individuals certify through UIA's telephone or online MARVIN systems that they were unemployed and met eligibility requirements for the two weeks.

When the remaining balance on an individual's regular state unemployment claim is two weeks or less, the UIA will mail a letter to the individual explaining how to apply for the first EUC extension (Tier 1) by telephone or online. There is no application process for the EUC Tiers 2 through 4 as UIA automatically issues a determination to individuals as they exhaust their previous EUC Tier. Claimants should continue to certify by contacting MARVIN either by telephone or online.

The EUC program expires week ending Dec. 28, 2013. This means no EUC payments will be made for any week after Dec. 28, 2013, regardless of the number of remaining weeks of payment on any EUC claim.

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